WORKFORCE SAFETY & INSURANCE INVESTMENT PERFORMANCE REPORT AS OF JULY 31, 2008

					Current	Prior Year	3 Years	5 Years
		July-08			FYTD	FY08	Ended	Ended
		Alloca		<u>Month</u>				6/30/2008
	Market Value	Actual	Policy	Net ROR	Net	Net	Net	Net
LARGE CAP DOMESTIC EQUITY								
Structured Growth	10 177 107	1 50/	1 50/	1 100/	-1.18%	7 700/	7 600/	NI/A
Los Angeles Capital Total Structured Growth	18,477,487	1.5% 1.5%	1.5% 1.5%	-1.18% -1.18%	-1.18% -1.18%	-7.79% -7.79%	7.68% 7.68%	N/A 9.56%
Russell 1000 Growth	18,477,487	1.5%	1.5%	-1.10%	-1.10%	-7.7 9 % -5.96%	5.91%	7.32%
				-1.9070	-1.3070	-3.9076	3.3170	7.32/0
Structured Value LSV	16,428,751	1.3%	1.5%	-0.58%	-0.58%	-21.43%	3.81%	11.57%
Russell 1000 Value	10,420,731	1.3/0	1.5/0	-0.36%	-0.36%	-21.43 % -18.78%	3.53%	8.92%
				-0.5070	-0.5070	-10.7070	3.5570	0.32 /0
Russell 1000 Enhanced Index	25 722 504	2.00/	2.00/	2.050/	2.050/	0.540/	C 070/	NI/A
LA Capital Russell 1000	35,733,594	2.9%	2.9%	-2.05% -1.16%	-2.05% -1.16%	-9.54% -12.36%	6.97% 4.81%	N/A N/A
				-1.10%	-1.10%	-12.30%	4.01%	IVA
S&P 500 Enhanced Index	20 704 440	2.00/	2.00/	0.730/	0.720/	40 400/	4.000/	NI/A
Westridge S&P 500	36,701,140	3.0%	2.9%	-0.73%	-0.73% -0.84%	-12.18% -13.12%	4.98% 4.41%	N/A N/A
				-0.84%	-0.04%	-13.12%	4.41%	N/A
Index					4 4 6 6 7	40.040/		0.040/
State Street	11,935,569	4.00/	4.00/	-1.16%	-1.16%	-18.24%	2.93%	6.64%
Total 130/30	11,935,569	1.0%	1.0%	-1.16%	-1.16%	-18.24%		6.64%
S&P 500				-0.84%	-0.84%	-13.12%	4.41%	7.59%
TOTAL LARGE CAP DOMESTIC EQUITY	119,276,541	9.6%	9.8%	-1.22%	-1.22%	-12.71%	5.68%	9.31%
S&P 500				-0.84%	-0.84%	-13.12%	4.41%	7.59%
SMALL CAP DOMESTIC EQUITY								
Manager-of-Managers SEI	19.413.973	1.6%	1.6%	0.99%	0.99%	-20.93%	2.06%	9.10%
Russell 2000 + 200bp	19,413,973	1.0 /0	1.0%	3.87%	3.87%	-14.48%	5.88%	12.50%
·				3.07 /6	3.07 /0	-14.40/0	3.00%	12.5070
Enhanced	00.070.050	4.00/	4.00/	0.000/		N1/A	N1/A	N1/ A
Research Affiliates Russell 2000	20,372,050	1.6%	1.6%	2.98%	N/A	N/A -16.19%	N/A	N/A
				3.70%	3.70%			
TOTAL SMALL CAP DOMESTIC EQUITY	39,786,023	3.2%	3.3%	1.97%	1.97%	-21.14%	1.97%	9.04%
Russell 2000				3.70%	3.70%	-16.19%	3.79%	10.29%
INTERNATIONAL FOURTY								
INTERNATIONAL EQUITY								
Large Cap - Active Capital Guardian	36,064,679	2.9%	3.2%	-4.00%	-4.00%	-12.37%	12.24%	14.35%
LSV	35,330,137	2.9%	3.2%	-2.50%	-2.50%	-25.78%	7.37%	N/A
Total Large Cap - Active	71,394,815	5.8%	6.4%	-3.27%	-3.27%	-19.29%	9.83%	13.46%
MSCI EAFE - 50% Hedged	1 1,00 1,010	0.070	0	-2.64%	-2.64%	-15.14%	10.93%	14.67%
3								
Small Cap - Value								
DFA	8,388,692	0.7%	0.8%	-4.44%	N/A	N/A	N/A	N/A
Total Small Cap Value	8,388,692	0.7%	0.8%	-4.44%	-4.44%	-12.74%	9.30%	17.27%
S&P/Citigroup Broad Market Index < \$2BN				-4.30%	-4.30%	-25.49%	7.39%	17.33%
Small Cap - Growth	0.400.450	0.70/	0.007	E 000/	E 000/	47 500/	44 7701	00.400/
Vanguard Citigraum Broad Market Index 4 \$28M	8,160,450	0.7%	0.8%	-5.82%	-5.82%	-17.52%	11.77%	20.18%
Citigroup Broad Market Index < \$2BN				-4.30%	-4.30%	-25.49%	7.39%	17.33%
TOTAL INTERNATIONAL EQUITY	87,943,957	7.1%	8.0%	-3.62%	-3.62%	-18.83%	9.79%	14.56%
MSCI EAFE - 50% Hedged				-2.64%	-2.64%	-15.14%	10.93%	14.67%

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	<u>Allocation</u> <u>Month</u>							6/30/2008
	Market Value	Actual	Policy	Net ROR	Net	Net	Net	Net
DOMESTIC FIXED INCOME Core Bond								
Western Asset	174,384,838	14.1%	14.1%	-1.78%	-1.78%	2.06%	2.76%	3.55%
Lehman Aggregate				-0.08%	-0.08%	7.12%	4.09%	3.86%
Mortgage Backed								
Hyperion	38,231,179	3.1%	4.0%	-8.02%	-8.02%	-20.24%	N/A	N/A
Lehman Global Aggregate (US Securitized Po	, ,			-0.06%	-0.06%	10.14%		
Core Plus/Enhanced				,.				
	E4 040 070	4.40/	4.00/	0.450/	0.450/	10.17%	N/A	N/A
Clifton Group	51,316,972	4.1%	4.0%	0.45%	0.45%			-
Prudential	51,158,656	4.1%	4.0%	-0.24%	-0.24%	4.89%	N/A	N/A
Total Core Plus/Enhanced	102,475,628	8.3%	8.0%	0.10%	0.10%	7.55%	N/A	N/A
Lehman Aggregate				-0.08%	-0.08%	7.12%		
Index								
Bank of ND	89,618,727	7.2%	7.0%	0.07%	0.07%	7.68%	3.93%	3.28%
Bank of ND CD'S	35,696,281	2.9%	2.9%	0.42%	0.42%	4.63%	N/A	N/A
Total Index	125,315,007	10.1%	9.9%	0.17%	0.17%	6.80%	3.80%	3.14%
Lehman Gov/Credit (1)	1_0,010,001			0.00%	0.00%	7.24%	3.84%	3.24%
, ,				,.			0.0.7,0	0.2.77
BBB Average Quality Wells Capital (formerly Strong)	470 000 040	14.4%	14.1%	-0.59%	-0.59%	3.55%	3.04%	3.85%
Lehman US Credit BAA	178,693,646	14.4%	14.1%					
Lenman US Credit BAA				-0.67%	-0.67%	2.62%	2.52%	3.59%
TOTAL DOMESTIC FIXED INCOME	619,100,299	50.0%	50.0%	-1.15%	-1.15%	2.45%	2.71%	3.26%
Lehman Aggregate (2)	010,100,200	00.070	00.070	-0.08%	-0.08%	7.12%	4.09%	3.73%
Lenman Aggregate (2)				-0.0070	-0.0070	7.12/0	7.0370	3.7370
INFLATION PROTECTED ASSETS								
Northern Trust Global Investments	142,932,235	11.5%	11.0%	-0.45%	-0.45%	15.69%	5.79%	N/A
Western	140,275,900	11.3%	11.0%	-1.33%	-1.33%	12.34%	4.42%	N/A
TOTAL INFLATION PROTECTED ASSETS	283,208,135	22.9%	22.0%	-0.89%	-0.89%	14.00%	5.10%	N/A
LB US TIPS Index	200,200,100	22.570	22.070	-0.51%	-0.51%	15.10%	5.62%	N/A
LB 00 TH 0 Hidex				0.0170	0.0170	10.1070	0.0270	7 477 1
REAL ESTATE								
JP Morgan	84,203,650	6.8%	6.0%	-0.12%	-0.12%	-0.77%	N/A	N/A
NCREIF Total Index	01,200,000	0.070	0.070	0.19%	0.19%	9.20%	14.82%	N/A
ronzii rom maax				0.1070	0.1070	0.2070	7 7.02 70	7071
CASH EQUIVALENTS								
Bank of ND	5,843,786	0.5%	1.0%	0.16%	0.16%	3.43%	4.10%	3.38%
90 Day T-Bill	0,0.0,700	0.070	1.070	0.18%	0.18%	3.63%	4.27%	3.18%
				3370	3570	3.5370	/0	3370
TOTAL WSI	1,239,362,391	100.0%	100.0%	-1.10%	-1.10%	0.57%	4.70%	6.18%
POLICY TARGET BENCHMARK				-0.31%	-0.31%	4.22%	5.78%	6.56%
				0.0.70	0.0.70	/0	5570	0.0070

NOTE: Monthly returns and market values are preliminary and subject to change.

 ⁽¹⁾ From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

⁽²⁾ Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.